

February 11, 2009

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW 12th Street Lobby, TW-A325 Washington D.C. 20554

Re:

CC Docket No. 96-45; Virgin Mobile USA, L.P. Petition for Forbearance and Petitions for Limited Designation as an Eligible Telecommunications Carrier in New York, North Carolina, Pennsylvania, Tennessee and Virginia

Dear Ms. Dortch:

In response to a request from staff of the Wireline Telecommunications Bureau, Virgin Mobile USA, L.P. ("Virgin Mobile") clarifies its pending Petition for Forbearance from enforcement of Section 214(e)(1)(A) of the Communications Act of 1934, as amended ("Petition for Forbearance") and its related Petitions for Limited Designation as an Eligible Telecommunications Carrier in New York, North Carolina, Pennsylvania, Tennessee and Virginia ("ETC Petitions").

In prior filings in this proceeding, Virgin Mobile has committed to abide by each of the conditions imposed on TracFone Wireless ("TracFone") by the Commission in granting forbearance and limited ETC designation to the extent that they continue to apply to TracFone. Virgin Mobile hereby certifies that it also will abide by all

See Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i), Order, 20 FCC Rcd 15095 (2005) and In the Matter of Federal-State Joint Board on Universal Service, TracFone Wireless, Inc., Petitions for Designation in the States of Alabama, Connecticut, Delaware, Florida, New Hampshire, New York, Pennsylvania, Tennessee, Virginia, and Washington D.C., Order, FCC 08-100 (rel. April 11, 2008) ("TracFone ETC Designation Order").

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applicable Commission requirements for ETC designation, including those set forth in section 54.202 of the Commission's rules and the 2005 Report and Order adopting requirements for ETC designations performed by the Commission.² Among other things, Virgin Mobile certifies that it will provide Lifeline services as promptly as practicable throughout the entire designated service area upon receiving ETC designation and the necessary certifications from each Public Safety Answering Point confirming that the company provides Lifeline customers with access to basic and enhanced 911 services regardless of account status and availability of prepaid minutes.³ Through our PCS network agreement with Sprint Nextel, Virgin Mobile has the ability to quickly offer service to any Lifeline customer who makes a reasonable request for service in any part of the five states covered by the nationwide Sprint PCS network for which we have sought ETC designation.⁴ Upon designation as an ETC, moreover, Virgin Mobile will make available to these consumers USF-subsidized service offerings that provide the functionalities and features currently received by our existing customers.

Virgin Mobile also commits to providing high-quality services to Lifeline customers. The company's extensive focus on high-quality customer service has redefined the prepaid wireless marketplace. Recognizing the competitive value of high-quality customer service, we have emphasized customer service as an essential pillar for our marketplace success since our service launch. This intense focus on customer service has been rewarded and customers have responded accordingly. Over 90 percent of Virgin Mobile's customers indicate that they would recommend our service to a friend, while nearly 80 percent already have done so. J.D. Power has recognized Virgin Mobile for providing "An Outstanding Customer Service Experience" under its Certified Call Center Program. As evidence of our commitment to high-quality service, Virgin Mobile has complied with the CTIA-The Wireless Association® Consumer Code for Wireless Service ("Consumer Code") since its inception. Once designated as an ETC, Virgin Mobile will continue to comply with the Consumer Code.

See Federal-State Joint Board on Universal Service, Report and Order, 20 FCC Rcd 6371 (2005) ("ETC Designation Order").

³ See TracFone ETC Designation Order at ¶ 22.

As noted previously in the ETC Petitions, Virgin Mobile is not requesting authority to provide service to any part of tribal lands. See e.g., Virgin Mobile USA, L.P. Petition for Limited Designation as an Eligible Telecommunications Carrier in the State of North Carolina at fn. 13 (filed April 29, 2008).

See 47 C.F.R. § 54.202(a)(3). The Commission did not require TracFone to demonstrate that it satisfies the network build-out and improvement requirements or to provide a certification acknowledging that the Commission may require it to provide equal access to long distance carriers in the event that no other ETC is providing equal access within the service area. See TracFone ETC Designation Order at fn.15. Accordingly, Virgin Mobile respectfully requests that it be similarly excused from these requirements.

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Finally, section 54.202(a)(4) of the Commission's rules also requires an ETC to offer a local usage plan "comparable to the one offered by the incumbent LEC in the service areas for which it seeks ETC designation." While the Commission has not adopted any minimum local usage requirements, Virgin Mobile will comply with any applicable minimum local usage requirements established by the Commission once designated as an ETC. It is important to note that Virgin Mobile's Lifeline offerings will exceed those of the incumbent LEC, and even other ETCs, since Virgin Mobile's customers will receive specified amounts of free wireless minutes.

Virgin Mobile submits that our full commitment to the requirements for ETC designation, as well as the conditions placed on TracFone by the Commission, should remove any impediment to grant of the pending Petition for Forbearance and ETC Petitions. Rapid approval of these requests, moreover, would promote the public interest by offering the many benefits of Lifeline-supported services to low-income customers. Virgin Mobile's Lifeline plans will provide affordable and convenient wireless services to these customers, many of whom currently lack appealing and affordable options for telecommunications services, especially wireless services.

Accordingly, Virgin Mobile respectfully requests that the Commission expeditiously approve its Petition for Forbearance and ETC Petitions.

Peter Lurie

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cc: Jennifer McKee (Wireline Competition Bureau)
Thomas Buckley (Wireline Competition Bureau)

⁶ 47 C.F.R. § 54.202(a)(4).